

**THE HONG KONG GROUP
OF THE
ASIAN PATENT ATTORNEYS ASSOCIATION
("APAA HONG KONG GROUP")**

PRESIDENT'S REPORT

It is my pleasure to deliver my report for the year 2020 - 2021.

1 Membership

- 1.1 As at 26 July 2021, we have 109 Individual Members and 23 Organisation Members.
- 1.2 We have 5 Honorary Members, namely, former judge Mr. Anthony Rogers, Mr. Robin Bridge, Ms. Anna Wu, Professor Michael Pendleton and Ms. Ella Cheong.

2 Council and Committee members registered with APAA

According to the Statutes of APAA, the term of office of Council Members starts from the end of a General Assembly to the next General Assembly. Likewise appointment to the Committees of APAA was for a term between two General Assemblies. As the General Assembly originally planned to be held in Gold Coast, Australia, in November 2020 was postponed due to the COVID-19 pandemic, the following members of the Hong Kong Group will stay in office as Council Members and Members of Standing Committees of APAA until the next General Assembly to be held in Gold Coast in October 2021:-

<u>Council Members of APAA</u>	<u>Name</u>	<u>Remarks</u>
	Andrew COBDEN	
	Chi Keung KWONG	Past President of APAA
	Jeffrey MCLEAN	Secretary of Hong Kong Group
	Rebecca LO	President of Hong Kong Group; member of AdCom of APAA

Victor TSE	Co-Chairperson of the Emerging IP Rights Committee of APAA
Henry WHEARE	Vice-President of APAA and Treasurer of Hong Kong Group

Standing Committees of APAA

<u>Name</u>	<u>Remarks</u>	
Anti-Counterfeiting Committee	Alan CHIU Tim HANCOCK Lawrence YEUNG	
Copyright Committee	Shirley KWOK Anita LEUNG Anthony TONG	
Designs Committee	Catherine ZHENG Benjamin CHOI Mike FLINT Tim LETTERS	Co-Chairperson of the Designs Committee
Emerging IP Rights Committee	Victor TSE Steven BIRT Andrew COBDEN Chloe LEE	Co-Chairperson of the Emerging IP Rights Committee
Patents Committee	Ted CHWU Jeffrey McLEAN Laurence THOO	
Trade Marks Committee	Serena LIM Helen TANG Adelaide YU	

3 Meetings with the Intellectual Property Department (“IPD”)

3.1 Joint Meeting of IPD with APAA Hong Kong Group (“APAA-HK”), the Law Society IP Committee (“LawSoc-IP”), and Hong Kong Institute of Trade Mark Practitioners (“HKITMP”) (1 February 2021)

Due to the pandemic, the Joint Meeting, which was originally scheduled to take place on 8 December 2020, was re-scheduled to 1 February 2021 and was conducted online. At the meeting, IPD gave progress reports on various legislative and practice developments, which are summarised below.

The following APAA-HK Council and Committee members attended the Joint Meeting:-

Council members: Rebecca LO (President); Henry WHEARE (Vice President); Andrew COBDEN; Jeffrey McLean; Victor TSE

Committee members: Benjamin CHOI; Ted CHWU; Shirley KWOK; Anita LEUNG; Serena LIM, Helen TANG; Catherine ZHENG

3.2 Original Grant Patent (OGP) Meeting (1 February 2021)

This online meeting, which was also a joint online meeting of APAA-HK, LawSoc-IP and HKITMP with IPD, took place immediately after the above-mentioned Joint Meeting, IPD reported on the progress of the Original Grant Patent regime introduced in late December 2019. The OGP system had a good start, for a good number of applications were received, not only from Hong Kong applicants, but also from foreign applicants. Updates are summarised below.

The following APAA-HK members attended the OGP Meeting:-

Council members: Rebecca LO (President); Henry WHEARE (Vice President); Andrew COBDEN; Jeffrey McLEAN; Victor TSE

Committee members: Benjamin CHOI; Ted CHWU; Shirley KWOK; Anita LEUNG; Serena LIM, Helen TANG; Anthony TONG; Catherine ZHENG

Member: Steven FUNG

3.3 IP Trading Hub online meeting (29 April 2021)

An online meeting with IPD was held on 29 April 2021 to discuss plans to strengthen Hong Kong’s position as a regional IP Trading Hub. The meeting was inspired by the National 14th Five-Year Plan which has a dedicated

chapter on Hong Kong SAR and Macao SAR, and in the chapter the Central Government of China expressly supports the development of Hong Kong as a regional IP trading centre. The National 14th Five-Year Plan ties in with an earlier Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area, which already identified Hong Kong's role as an IP trading centre. Under these two Plans, leveraging on Hong Kong's strong IP protection regime, sound legal and judicial systems and sophisticated services sector, Hong Kong plays an important role in helping Greater Bay Area and Mainland enterprises enter the international market.

The meeting was a joint meeting attended by representatives of APAA-HK, LawSoc-IP, HKITMP and the Bar Association, and took the form of an online meeting. Attendance is limited so as to facilitate discussions. The following Council and Committee members of APAA Hong Kong Group attended the meeting to hear IPD's report of the actions they have taken and exchanged views with other participants as to what can be done to strengthen Hong Kong position as a regional IP trading hub.

Council members: Rebecca LO (President); Henry WHEARE (Vice President); Andrew COBDEN

Committee members: Anita LEUNG; Serena LIM, Helen TANG

3.4 Public Online Search (POS) Meetings (18 May 2021 and 4 June 2021)

In the middle of May 2021, it was discovered that the Public Online Search ("POS") system of IPD was extremely slow in response, and some irregularities (such as records which should be brought up by the search were missing) were observed. APAA-HK, LawSoc-IP and HKITMP called an urgent meeting with IPD to ask what happened and what measures IPD took to resolve the problem.

At the first meeting with IPD held on 18 May 2021, the IT contractor of IPD made a report that the slow response time of the POS system was due to an unusually large number of search demands being received which utilised a lot of the resources of the POS system, causing it to be paralysed. IPD on the one hand scaled up its POS system, and on the other hand put in measures to prevent robotic searches of the system. IPD was investigating the issue of irregularities, but assured those at the meeting that although the POS system was affected, IPD's internal database was not affected. At the request of the 3 practitioner organisations, IPD put up a dedicated telephone hotline and email to collect reports of irregularities, and issued notices in the IPD website alerting POS users of the problems in the POS system.

At the second meeting with IPD held on 4 June 2021, IPD's IT contractor reported that as a result of stopping robotic searches and scaling up of the POS system, the performance of the POS system was back to normal.

Many tests were carried out and no more irregularity was observed. However IPD would continue to monitor the situation closely so that timely action could be taken if problems were found.

The following APAA-HK Council and Committee members attended the meetings:-

Council members: Rebecca LO (President); Henry WHEARE (Vice President); Andrew COBDEN

Committee members: Steven BIRT; Benjamin CHOI; Chloe LEE; Shirley KWOK; Anita LEUNG; Serena LIM, Helen TANG; Anthony TONG; Adelaide YU

3.5 APAA-HK annual meeting with IPD (8 July 2021)

APAA-HK meeting with IPD took place on 8 July 2021 at the IPD Function Room. At the meeting, IPD gave progress reports on various legislative and practice developments, which are summarised below.

The following APAA-HK Council and Committee members attended the meeting:-

Council members: Rebecca LO (President); Henry WHEARE (Vice President); Andrew COBDEN; C.K. KWONG; Jeffrey McLEAN

Committee members: Alan CHIU; Ted CHWU; Chloe LEE; Anita LEUNG; Helen TANG; Anthony TONG; Adelaide YU; Catherine ZHENG

3.6 Summary of matters discussed at the Joint Meeting (1 February 2021) and Annual APAA-HK Meeting (8 July 2021) with IPD

3.6.1 Update on the implementation of the new patent system

From 19 December 2019 when the original grant patent (“OGP”) system was introduced up to 31 May 2021, a total of 426 applications for standard patents through the OGP route (“Standard Patent (O)”) were received. Of these 426 applications:-

- (i) 142 applications (around 33%) were originated from Hong Kong;
- (ii) 273 applications (around 64%) were in the Electricity field;
- (iii) 114 applications (around 27%) were in the Mechanical Engineering field; and
- (iv) 39 applications (around 9%) were in the Chemistry field.

IPD conducted a survey of the applicants of Standard Patent (O). The applicants from Hong Kong replied that they choose to apply for a Standard Patent through the OGP route because (1) it is more convenient to get a Standard Patent through the OGP system than through the re-registration system; (2) they wish to secure an early filing date, and (3) Hong Kong is their main market. Non-Hong Kong applicants responding to the survey replied that going through the OGP route enables them to get a standard patent in Hong Kong faster.

By way of reference, the first Standard Patent (O) was granted, and for that application, it took only 14 months from filing of request for substantive examination to grant of the patent.

With the introduction of the OGP system, the number of Short-Term Patent applications has dropped. The number of Short-Term Patent applications received from January to December 2020 was 689, showing a decrease of 12.9% compared with 791 applications filed during the period from January to December 2019.

The number of applications for standard patent through the re-registration route ("Standard Patent (R)") is not affected. The number of standard patent "request to record" applications received from January to December 2020 was 21,302, showing an increase of 28.9% compared with 16,521 applications for the period January to December 2019. Out of the 21,302 applications for Standard Patent (R), 329 applications (around 1.5%) were filed by Hong Kong applicants, and 20,973 (around 98.5%) were filed by non-Hong Kong applicants. This shows that obtaining a standard patent through the re-registration route is still favoured by foreign applicants.

Earlier in 2021, IPD conducted a survey on patent practitioners in Hong Kong. We are informed by IPD that they had written to all members of APAA Hong Kong Group who in IPD's record had filed patent applications before. IPD will study the results and keep us informed.

3.6.2 Amendments to Rules of the High Court and corresponding amendments to the Trade Marks Rules, Patents (General) Rules and Registered Designs Rules

IPD reported that the legislative proposals were considered by the Registrar of the High Court, who made some comments which require the draft amendments to be revised. IPD would continue to liaise with the Judicial Administrator to press ahead with this legislative exercise.

3.6.3 Application of Madrid Protocol to Hong Kong and other amendments of the Trade Marks Ordinance

IPD is working on the draft Trade Marks Rules and the target of implementing Madrid Protocol filings in Q1 of 2023 remains unchanged.

APAA-HK asked whether there is any plan to require applicants of Madrid filings to engage qualified agents to respond to office actions. IPD responded that under section 88(3) of the Trade Marks Ordinance, the Registrar shall refuse to recognise as an agent a person having neither residence nor a place of business in Hong Kong.

3.6.4 Modernising the Copyright Ordinance

APAA-HK asked IPD whether there are plans to revive the amendment of the Copyright Ordinance which was aborted in the previous legislative amendment exercise. IPD said there are many issues to consider, but they have taken note of our request and will give the matter further thoughts.

4 Projects undertaken by the Council

4.1 Opening of Bank Account

Responsible council member: Henry Wheare.

The paperwork needed to open an account with the Shanghai Commercial Bank is ready. The next step is to organise a meeting of the Council Members with the bank manager for identity checking and taking of specimen signatures.

4.2 Modernising the Hong Kong Group website

Responsible council member: Jeff McLean.

A beta site was created for our review and provision of content.

4.3 Bidding to host APAA Meeting in Hong Kong in 2024

Responsible council member: Victor Tse.

The ad-hoc committee chaired by Victor Tse and consisting of Rebecca Lo, Henry Wheare and Jeff McLean continued to liaise with the Hong Kong Tourism Board to put together a bid to host the APAA Meeting in Hong Kong.

COVID-19 has disrupted the plans made by APAA for the hosting of APAA Meetings. Originally, a General Assembly was scheduled to be held in Gold Coast, Australia, in 2020. The meeting was cancelled and deferred to 2021. As a chain reaction, Hong Kong will no longer be bidding to host the APAA Meeting in 2024, and is looking at hosting in 2026 instead. However, subject to the final decision of Singapore whether to host the meeting in 2023, there may be an opportunity for Hong Kong to bid for hosting the meeting in 2023.

This requires a careful assessment of whether by 2023 there will still be travel restrictions which will make it difficult for conference planning.

Whatever the decision about hosting of the APAA Meeting, we need the support of the Hong Kong Group, not only to help with the planning and implementation of the academic, social and entertainment programmes of the Meeting, but also to agree to transferring some money of the Hong Kong Group to a special purpose entity formed to host the meeting.

5 Events and Activities

5.1 “IP Licensing and Franchising” webinar (28 May 2021)

In my capacity as President of APAA-HK, I delivered a 2.5 hour webinar on the subject “IP Licensing and Franchising” as part of the “IP Manager Scheme Plus” training series co-organised by HKIPD and the Institute of Professional Education And Knowledge (PEAK) of the Vocation Training Council (VTC) of Hong Kong.

5.2 APAA Hong Kong Group was invited to participate in the following events and activities:-

5.2.1 Business of Intellectual Property (BIP) Asia Forum 2020 (3-4 December 2020) jointly organised by the Government of Hong Kong SAR, Hong Kong Trade Development Council and Hong Kong Design Centre.

APAA-HK was a supporting organisation and our members enjoyed free passes or discounted rates for attending the conference.

5.2.2 Online workshop of Licensing Academy (8 December 2020) on the subject “Licensing Law and Intellectual Property”.

5.2.3 Asian Licensing Conference Online (11-15 January 2021) organised by the Hong Kong Trade Development Council.

APAA-HK was a supporting organisation and our members enjoyed free passes or discounted rates for attending the conference.

5.2.4 Webinar organised by Licensing Executives Society China, Hong Kong Sub-Chapter (23 February 2021) delivered by Audrey Yap, President of LESI, on the subject “COVID-19 and its impact on the IP Industry”.

5.2.5 Webinar organised by Licensing Executives Society China, Hong Kong Sub-Chapter (23 March 2021) titled “B.Duck 的成功故事 - 快樂從做鴨開始” in which an entrepreneur shared the story of his success in building up a billion dollar business through IP licensing.

5.2.6 Guangdong-Hong Kong-Macao Greater Bay Area High Value Patent Portfolio Layout Competition 2021 (2021 年粵港澳大灣區高價值專利

培育佈局大賽) co-organised by The Guangdong Province Administration for Market Regulation (Guangdong Intellectual Property Administration), the Intellectual Property Department of the Government of the Hong Kong SAR, the Economic and Technological Development Bureau of the Government of the Macao SAR and the People's Government of Foshan Municipality.

The Competition, with the theme "Convergence of high-value patents creates a dream for the future of the Greater Bay Area", aims at identifying high-value patents with leading technologies, promoting the development of effective strategies for nurturing high-value patents, and fostering the advancement of a high value-added knowledge economy in the Guangdong-Hong Kong-Macao Greater Bay Area. The competition is open to patent applicants (owners) (either in the name of an enterprise, tertiary institution, research centre, or individual) entering as an individual participant, or as a team together with other members including IP service agencies. There are 35 awards with a total value of RMB 4 million.

6 Social

Due to the COVID-19 pandemic, no members dinner was organised in 2020.

7 APAA Prizes

No prize was given in 2020-21.

8 Opposition to Hong Kong Trade Mark Application No. 301543392

Members are aware that opposition was filed against Hong Kong Trade Mark Application No. 301543392 for the mark "Hong Kong Institute of Patent Attorneys and Device". By agreement with the Applicant, The Hong Kong Institute of Patent Attorneys Limited, the opposition was stayed and it is likely to remain so until it becomes clear whether or not and if so how the Hong Kong patent attorneys profession will be regulated.

9 Money held in Account

The money of APAA Hong Kong Group is held in the Client Account of Nixon Peabody CWL. We are working on opening a bank account with Shanghai Commercial Bank.

Henry Wheare, Treasurer, will give a more detailed report on the state of our accounts.

The Council gives consideration from time to time on how funds should be held and so far, no conversion to other currencies has been made.

My second term as President of APAA Hong Kong Group will come to an end at the APAA General Assembly in Gold Coast in October 2021. It has been a great pleasure and honour to have served you as President and I hope I have not failed you. May I take this opportunity to thank all of you for the trust and support you have given me. I also thank my fellow Council members for their wise counsel and support I thank all the members who contributed their time and expertise by participating in the various Standing Committees of APAA.

The past 3 years have been very unusual years. For a long period of time, practitioners had to cope with working from home and meeting clients and colleagues online. We had to adapt to attending Court and Registry hearings by telephone or video conference. Yet life goes on and work never stops. APAA-HK continued to actively participate in discussions with IPD on matters affecting IP laws and practice. Going forward, APAA-HK will engage in discussions with the government regarding the regulation of patent practitioners and regarding amendment of the Trade Marks Rules to implement the Madrid Protocol, to name a few projects. I trust you will give the new leadership of APAA-HK the same support you have given me and my fellow Council members. Last but not least, please join me in thanking the Council and Committees and special working groups for the work they put into shaping the laws and practise of IP in Hong Kong and in furthering the interests of our members.

Rebecca Lo
President
30 July 2021